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Consumer Price Index, Washington-Arlington-Alexandria – July 2018 Area prices up 0.1 percent since May and 2.5 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Washington-Arlington-Alexandria inched up 0.1 percent from May to July, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that the recent rise was due mainly to a 0.2-percent increase in the all items less food and energy index. The energy index also rose since May, up 0.6 percent, while the food index declined 0.6 percent. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U advanced 2.5 percent, primarily reflecting an increase in the all items less food and energy index, also up 2.5 percent. (See chart 1 and table A.) Since July 2017, the energy index and the food index advanced, up 6.2 and 1.1 percent, respectively. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Washington-Arlington-Alexandria, DC-VA-MD-WV, July 2015—July 2018



Source: U.S. Bureau of Labor Statistics.

Food

After a 0.8-percent increase from March to May, the food index declined 0.6 percent over the last two months. Prices for food at home were down 1.4 percent, while those for food away from home were 0.3 percent higher. Within the food at home component, prices were lower for items such as citrus fruits over the last two months.

Food prices increased 1.1 percent over the year. Prices were higher for both the food away from home and food at home components, up 1.7 and 0.6 percent, respectively, since July 2017.

Energy

Since May, the energy index, which includes prices for household and transportation fuels, advanced 0.6 percent, due to a 4.2-percent increase in electricity prices and a 0.5-percent rise in gasoline prices. Meanwhile, prices for utility (piped) gas were 9.3 percent lower.

Energy prices rose 6.2 percent since July 2017. The advance was due to a 24.1-percent increase in gasoline prices. Prices were lower over the year for utility (piped) gas service, down 23.1 percent—the index's largest 12-month decline in nearly 9 years. Electricity prices also declined since July 2017, down 2.6 percent.

All items less food and energy

The index for all items less food and energy edged up 0.2 percent since May. Prices were higher for several categories including shelter (0.4 percent), recreation (2.5 percent), and new and used motor vehicles (1.9 percent). A seasonal decline in apparel prices (-4.0 percent) and lower prices for medical care (-1.3 percent) moderated the rise in the all items less food and energy index from May to July.

Since July 2017, the index for all items less food and energy rose 2.5 percent. The advance was led by higher prices for shelter (2.8 percent); recreation (3.8 percent), household furnishings and operations (4.1 percent), and apparel (5.2 percent) were among the other indexes that had increases over the year.

Table A. Washington-Arlington-Alexandria, DC-VA-MD-WV, CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2014		2015		2016		2017		2018	
	2-month	12- month								
January	0.2	1.7	-1.1	-0.2	-0.2	1.5	0.2	1.5	0.9	2.2
March	0.8	1.7	1.2	0.2	0.8	1.1	0.4	1.1	-0.1	1.8
May	0.3	2.0	0.7	0.6	0.8	1.2	0.0	0.3	0.7	2.5
July	0.0	1.7	-0.3	0.3	-0.2	1.3	0.0	0.5	0.1	2.5
September	0.1	1.1	0.6	0.7	-0.3	0.5	0.9	1.7		
November	-0.3	1.1	-0.4	0.5	0.2	1.1	0.0	1.5		

The Consumer Price Index for September 2018 is scheduled to be released on Thursday, October 11, 2018, at 8:30 a.m. (EDT).

Technical Note

The Consumer Price Index for Washington-Arlington-Alexandria is published bi-monthly. The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 94 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population.

The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 75 urban areas across the country from about 5,000 housing units and approximately 22,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Washington-Arlington-Alexandria, DC-VA-MA-WV, Core Based Statistical Area includes the District of Columbia; the counties of Calvert, Charles, Frederick, Montgomery, and Prince George's in Maryland; the cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park and the counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, Loudoun, Prince William, Rappahannock, Spotsylvania, Stafford, and Warren in Virginia; and the county of Jefferson in West Virginia.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Arlington-Alexandria, DC-VA-MD-WV, (1982-84=100 unless otherwise noted) (not seasonally adjusted)

		Index	ces	Percent change from			
Expenditure category	Historical data	May 2018	Jun. 2018	Jul. 2018	Jul. 2017	May 2018	Jun. 2018
All items	W	261.770		262.016	2.5	0.1	
Food and beverages	W	248.848		247.626	1.2	-0.5	
Food	MA	253.749		252.150	1.1	-0.6	
Food at home	M	243.487	241.408	239.976	0.6	-1.4	-0.6
Cereals and bakery products	MY	320.241		319.019		-0.4	
Meats, poultry, fish, and eggs	W	259.952		258.224		-0.7	
Dairy and related products	W	236.950		236.186		-0.3	
Fruits and vegetables	₩	272.643		256.990		-5.7	
Nonalcoholic beverages and beverage materials(1)	W	204.853		202.099		-1.3	
Other food at home	M	199.769		200.214		0.2	
Food away from home	Mr	267.640		268.502	1.7	0.3	
Alcoholic beverages	W	201.507		204.039	2.0	1.3	
Housing	W	271.918		273.153	2.1	0.5	
Shelter	M	328.186	329.151	329.436	2.8	0.4	0.1
Rent of primary residence(2)	NA.	357.886	359.060	359.621	3.0	0.5	0.2
Owners' equivalent rent of residences(2)	W	334.592	336.151	336.761	2.4	0.6	0.2
Owners' equivalent rent of primary residence(2)(3)	N	334.592	336.151	336.761	2.4	0.6	0.2
Fuels and utilities	M	229.869		232.025	-5.6	0.9	
Household energy	W	180.951	184.560	182.395	-7.5	0.8	-1.2
Energy services(2)	W	185.412	189.053	186.778	-8.0	0.7	-1.2
Electricity(2)	W	208.407	216.021	217.194	-2.6	4.2	0.5
Utility (piped) gas service(2)	W	132.585	128.716	120.234	-23.1	-9.3	-6.6
Household furnishings and operations	W	105.247		105.929	4.1	0.6	
Apparel	W	163.558		156.946	5.2	-4.0	
Transportation	W	219.936		220.684	6.1	0.3	
Private transportation	M	218.387		219.382	7.0	0.5	
New and used motor vehicles(4)	M	93.354		95.113		1.9	
New vehicles(1)	MY	198.041		197.667		-0.2	
Used cars and trucks(1)	M	295.915		301.137		1.8	
Motor fuel	MA	262.687	268.915	263.976	24.1	0.5	-1.8
Gasoline (all types)	M	259.884	266.063	261.170	24.1	0.5	-1.8
Gasoline, unleaded regular(5)	MA	254.184	260.277	255.274	24.6	0.4	-1.9
Gasoline, unleaded midgrade(5)(6).	\ \ \	255.406	262.452	258.437	21.0	1.2	-1.5
Gasoline, unleaded premium(5)	**	272.588	278.319	275.104	20.1	0.9	-1.2
Motor vehicle insurance(1)	W	857.600		857.600		0.0	
Medical care	W	452.584		446.580	-0.1	-1.3	
Recreation(4)	W	114.574		117.464	3.8	2.5	
Education and communication(4)	W	153.398		154.600	1.1	0.8	
Tuition, other school fees, and child care(1)	W	1,383.049		1,404.995		1.6	
Other goods and services	W	406.817		407.724	2.1	0.2	
Commodity and service group	[A-2]	104 000		100 740	2.5	0.5	
Commodities	W	181.680		180.740	3.5	-0.5	

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Arlington-Alexandria, DC-VA-MD-WV, (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

		Inde	xes	Percent change from			
Expenditure category	Historical data	May 2018	Jun. 2018	Jul. 2018	Jul. 2017	May 2018	Jun. 2018
Commodities less food and beverages	W	147.121		146.333	5.1	-0.5	
Nondurables less food and beverages	MA	198.288		195.494	7.8	-1.4	
Durables	MA	100.727		101.382	2.1	0.7	
Services	W	334.141		335.612	2.0	0.4	
Special aggregate indexes							
All items less shelter	MA	235.018		234.875	2.4	-0.1	
All items less medical care	M	252.762		253.317	2.8	0.2	
Commodities less food	MA	149.691		149.017	5.0	-0.5	
Nondurables	MA	222.810		220.780	4.1	-0.9	
Nondurables less food	M	198.433		196.061	7.4	-1.2	
Services less rent of shelter(3)	MY	352.057		353.882	1.2	0.5	
Services less medical care services	MA	322.976		325.100	2.3	0.7	
Energy	M	221.053	225.911	222.450	6.2	0.6	-1.5
All items less energy	M	268.202		268.359	2.3	0.1	
All items less food and energy	MY	272.062		272.538	2.5	0.2	

Footnotes

- (1) Indexes on a November 1977=100 base.
- (2) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
- (3) Indexes on a November 1982=100 base.
- (4) Indexes on a December 1997=100 base.
- (5) Special index based on a substantially smaller sample.
- (6) Indexes on a December 1993=100 base.

Note: Index applies to a month as a whole, not to any specific date.